MINUTES February 23,2005 9:30 a.m.

PRESENT: Marilyn Showalter, Chairwoman

Richard Hemstad, Commissioner

Pat Oshie, Commissioner

The regular meeting of the Washington Utilities and Transportation Commission was called to order on Wednesday, February 23, 2005, by Marilyn Showalter. Glenn Blackmon, Acting Director of Regulatory Services, noted that Item E1, UT-023033, should be removed from the Consent Agenda.

E)1. 1-000 Consent Agenda

Disposition: Commissioner Hemstad moved to approve the consent agenda and direct the Secretary to sign orders and/or letters necessary to affect each action. Commissioner Oshie seconded the motion. The motion carried (3:0).

UTILITIES

A)1. 1-008 Docket Number UE-041570 Puget Sound Energy Petition for review and approval of the Power Cost Adjustment Mechanism Annual Report. Petition.

Appearances: Roger Braden, staff; Simon ffitch, AAG, Public Counsel; Brad VanCleve, Atty, NW Industrial Users; Christine Dodge, Atty, PSE

Disposition: Commissioner Hemstad moved to approve the Company's request to include an additional \$10.9 million of the return on the Tenaska regulatory asset in allowed power costs in PCA Period 2 should be partially granted in the amount of \$6,074,927, resulting in a revised customer portion of the power cost deferral of \$5,163,266, including accrued interest. Also, the Company's amended 2004 PCA Report as filed should be rejected, but PSE should be authorized to refile its report consistent with the Commission's Order and the Commission should approve a properly modified report by letter from the Commission's executive secretary. Commissioner Oshie seconded the motion. The motion carried (3:0).

A)2. 2-064 Docket Number UT-042045 VCI Company Petition for exemption from WAC 480-120-162 (2), Cash and Urgent Payments. Petition for Exemption.

Appearances: Roger Kouchi, staff; Steve Johnson, Atty, Public Counsel; Stan Eferdeen, Atty, Stanley Johnson, Owner, VCI

Disposition: Commissioner Hemstad moved to grant a partial, conditional exemption from WAC 480-120-162(2) limiting the transaction fee charged by payment agencies for processing telecommunications company customer payments. Commissioner Oshie seconded the motion. The motion carried (3:0).

A)3. 2-276 Docket Number UT-053005 Qwest Corporation Request for approval of terms and conditions for Commercial Line Sharing Arrangements between MultiBand Communications, LLC, and Qwest Corporation. Interconnection Agreement.

Appearances: Deborah Reynolds, Jing Roth, Jonathan Thompson, AAG, staff; Lisa Andrel, Atty, Qwest

Disposition: Commissioner Hemstad moved to set this item for Adjudicative Hearing. Commissioner Oshie seconded the motion. The motion carried (3:0).

TRANSPORTATION:

B)1. 3-217 Docket Number TG-050075 Murrey's Disposal Company, Inc. Revises Tariff No. 25, reflecting an increase in tipping fees charged by Pierce County Recycling, Composting and Disposal, LLC, d/b/a LRI from \$89.24 per ton to \$90.15 per ton. Implements the Company's new recycle plan in conformity with Pierce County's new Recycling Service Level Ordinance 2004-64. Increases the monthly charge for residential recycling from \$2.56 to \$4.23, and adjusts the deferred recycle commodity credit to \$0.51 for can service and \$0.15 for container service. Overall impact: \$860,124 (3.61 percent). Tariff Revision.

Appearances: Bob Colbo, staff; Dave Wiley, Atty.

Disposition: Commissioner Hemstad moved to Issue a Complaint and Order Suspending the curbside recycling rates, curbside commodity credits, and multi-family commodity credits and allowing the suspended rates and commodity credits to become effective March 1, 2005, on a temporary basis, subject to refund; and, requiring recycle reporting for both companies. Allow all other rates to become effective by operation of law. Commissioner Oshie seconded the motion. The motion carried (3:0).

B)2. 3-217 Docket Number TG-050076 American Disposal Company, Inc. Revises Tariff No. 25, reflecting an increase in tipping fees charged by Pierce County Recycling, Composting and Disposal, LLC, d/b/a LRI from \$89.24 per ton to \$90.15 per ton. Implements the Company's new recycle plan in conformity with Pierce County's new Recycling Service Level Ordinance 2004-64. Increases the monthly charge for residential recycling from \$2.56 to \$4.23, and adjusts the deferred recycle commodity credit to \$0.51 for can service and \$0.15 for container service. Overall impact: \$860,124 (3.61 percent). Tariff Revision

Appearances: Bob Colbo, staff; Dave Wiley, Atty

Disposition: Commissioner Hemstad moved to Issue a Complaint and Order Suspending the curbside recycling rates, curbside commodity credits, and multi-family commodity credits and allowing the suspended rates and commodity credits to become effective March 1, 2005, on a temporary basis, subject to refund; and, requiring recycle reporting for both companies. Allow all other rates to become effective by operation of law. Commissioner Oshie seconded the motion. The motion carried (3:0).

The meeting adjourned at 11:38 a.m.

Attested by

Carole J. Washburn, Secretary